UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/51/653
5 November 1996

ORIGINAL: ENGLISH

Fifty-first session
Agenda item 17 (a)

ELECTIONS TO FILL VACANCIES IN SUBSIDIARY ORGANS AND OTHER ELECTIONS: ELECTION OF THE MEMBERS OF THE INTERNATIONAL LAW COMMISSION

Note by the Secretary-General

1. Article 3 of the statute of the International Law Commission provides that the members of the Commission shall be elected by the General Assembly from a list of candidates nominated by the Governments of States Members of the United Nations.

2. Article 7 of the statute states that the Secretary-General shall prepare the list referred to in article 3, comprising in alphabetical order the names of all the candidates duly nominated, and shall submit this list to the General Assembly for the purposes of the election.

3. The name of candidates and additional information are contained in documents A/51/177 and Add.1-7. The statements of qualifications of candidates are to be found in documents A/51/178 and Add.1.

4. Pursuant to the decision taken by the General Assembly at its 52nd plenary meeting, on 5 November 1996, the Secretary-General has the honour to submit to the Assembly the following consolidated list of candidates nominated by the Governments of States Members of the United Nations for election to the International Law Commission:

Addo, Emmanuel Akwei (Ghana)

Al-Baharna, Husain (Bahrain)

Al-Khasawneh, Awn Shawkat (Jordan)

Al-Nauimi, Najeeb (Qatar)

Baena Soares, João Clemente (Brazil)

96-30684 (E) 061196

/...

Bennouna, Mohamed (Morocco)

Brownlie, Ian (United Kingdom of Great Britain and Northern Ireland)

Camara, Sikhe (Guinea)

Candioti, Enrique J. A. (Argentina)

Crawford, James Richard (Australia)

De Ruyver, Brice (Belgium)

de Saram, John (Sri Lanka)

Dugard, Christopher John Robert (South Africa)

Economides, Constantin P. (Greece)

Elaraby, Nabil (Egypt)

Ferrari Bravo, Luigi (Italy)

Fomba, Salifou (Mali)

Galicki, Zdzislaw (Poland)

Goco, Raul I. (Philippines)

Hafner, Gerhard (Austria)

He, Qizhi (China)

Herdocia Sacasa, Mauricio (Nicaragua)

Idris, Kamil (Sudan)

Illueca, Jorge E. (Panama)

Jacovides, Andreas J. (Cyprus)

Kabatsi, Peter C. R. (Uganda)

Kamto, Maurice (Cameroon)

Kateka, James Lutabanzibwa (United Republic of Tanzania)

Kusuma-Atmadja, Machtar (Indonesia)

Liverpool, Nicholas Joseph Orville (Dominica)

Lukashuk, Igor Ivanovich (Russian Federation)

Malla, Churamani Raj Singh (Nepal)

Melescanu, Teodor Viorel (Romania)

Mikulka, Václav (Czech Republic)

Momtaz, Djamchid (Iran, Islamic Republic of)

Opertti Badan, Didier (Uruguay)

Pambou-Tchivounda, Guillaume (Gabon)

Pellet, Alain (France)

Rao, Pemmaraju Sreenivasa (India)

Razafindralambo, Edilbert (Madagascar)

Rodríguez-Cedeño, Victor (Venezuela)

Rosenstock, Robert (United States of America)

Sepúlveda, Bernardo (Mexico)

Simma, Bruno (Germany)

Singini, Elton Mawina (Malawi)

Solari Tudela, Luis (Perú)

Thiam, Doudou (Senegal)

Vassylenko, Volodymyr A. (Ukraine)

Villagrán Kramer, Francisco (Guatemala)

Yamada, Chusei (Japan)

5. The statements of qualifications of the candidates are to be found in documents A/51/178 and Add.1.

UNITED
NATIONS

A S

General Assembly
Security Council

Distr.
GENERAL

A/51/654
S/1996/909
4 November 1996

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Fifty-first session
Agenda item 39
THE SITUATION IN AFGHANISTAN
AND ITS IMPLICATIONS FOR
INTERNATIONAL PEACE AND
SECURITY

SECURITY COUNCIL
Fifty-first year

Identical letters dated 4 November 1996 from the Acting Foreign Minister of Afghanistan addressed to the Secretary-General and the President of the Security Council

Further to my letter dated 18 October 1996 (A/51/527-S/1996/863), I have the honour to bring the following to your urgent attention:

The Islamic State of Afghanistan, since the beginning of the conflict in the capital, Kabul, and some other provinces in the country in 1994, has sent numerous communications to you on one of the main causes behind the continuation of conflict in Afghanistan, virtually all of which, upon the request of the Government of Afghanistan, have been circulated as official documents of either the Security Council or the General Assembly.

It is noteworthy that the common notion in these letters has all along been a sharp focus on the intervention of Pakistani circles, especially the Inter-Service Intelligence (ISI), and its direct involvement in the conflict in Afghanistan, which the United Nations is yet to identify expressly. This dereliction was justified by some United Nations authorities merely by stipulating a "lack of hard evidence". This observation proved to be utterly counter-productive to the efforts of the United Nations to bring the Pakistani intervention to a halt. Continued reports made by the Islamic State of Afghanistan of having in its custody many captured Pakistani elements did not find support in the United Nations. Further, a similar response met requests to send a fact-finding mission to Afghanistan to investigate reports regarding the Pakistani intervention.

However, the recent, unanimously adopted, Security Council resolution 1076 (1996) of 22 October 1996, in which the Council for the first time referred, in its paragraph 3, to the "involvement of foreign military personnel" in Afghanistan, has won satisfaction and appreciation throughout the world.

Today, the preceding description is a major disclosure in a long-standing mystery. For the first time, the Islamic State of Afghanistan can point to the coming to light of "hard evidence" of the actual and physical involvement of armed Pakistani soldiers captured after the recent onslaught of the Taliban on the capital, Kabul. An independent journalist, Edward Barnes, after travelling to Panjshir Valley, interviewed captured Pakistani soldiers in a prison. This interview, which is published along with photographic evidences in Time magazine of 4 November 1996 (see annex), indicates, inter alia, that from among 26 captured Pakistanis, 2 Pakistani captured soldiers were interviewed. Khalid Mohammad Zai, 22, one of the two, who described himself as a member of a Pakistan Islamic paramilitary unit based in Kulty Chawni in Pakistan's Punjab province, says that "his unit was under the control of ISI", Pakistan's military intelligence, and his mission, as it was explained to him and 1,000 other Pakistani fighters who entered Afghanistan during the past two months, was to "go as a fighter and rise to a high position of influence". According to Khalid Mohammad Zai, "he was transported across the border by Pakistani military vehicles and, once in Kabul, received orders and money from 13 senior Pakistani officers in Kabul on 27 September 1996". He says that he was captured on 13 October 1996 near the Salang Pass.

There are scores of reliable reports that the Taliban prevents foreign correspondents from visiting the Taliban's front lines around Kabul. Our knowledge is that it is all done for fear that Pakistani-brand military hardware deployed by Pakistanis fighting against the government forces will be unveiled.

On behalf of the victimized Afghan nation, whose outcry is long due to be heard, I submit the above "hard evidence" through you to the United Nations as a beacon of hope of the small oppressed and suffering members of this global family and earnestly expect the following:

1. On the basis of the inquiries and reports of independent correspondents with regard to the existence of the direct military involvement of Pakistan in Afghanistan, and in accordance with the findings of the United Nations Special Mission to Afghanistan, mandated by the Security Council in paragraph 13 of its resolution 1076 (1996) to report on the political, military and humanitarian situation in Afghanistan, the Council has to determine whether there was a breach of the peace and an act of aggression committed by Pakistan against Afghanistan and to decide upon measures to be taken against the aggressor, in conformity with the provision of Chapter VII, Article 39, of the Charter of the United Nations.

2. To achieve the above, Dr. Norbert Holl, head of the United Nations Special Mission on Afghanistan, is expected to inspect the area promptly and to include in his report to the Security Council and to the General Assembly his inquiries and findings regarding the Pakistani military personnel captured by armed forces of the Islamic State of Afghanistan, which is a turning point in

the identification of the actual cause of the continuation of conflict in Afghanistan.

The Islamic State of Afghanistan is of the conviction that the above would result in disclosing a factor that has constituted a major element behind the continuation of the conflict and bloodshed in the country and that has been an obstacle to the efforts of the United Nations and the Organization of the Islamic Conference to bring peace and complete stability to war-ravaged Afghanistan.

The above reality, in the meantime, proves the fact that the Taliban militia group has captured the capital, Kabul, and in earlier times, some other provinces, through the direct military involvement of Pakistan. The Taliban, therefore, according to internationally accepted norms, should have no recognized identity other than as a mercenary group and a product of foreign intervention and should therefore not be treated in a manner that would give it the impression that it has been tolerated by the world community.

I would also like to bring to your attention that the Taliban mercenaries have no representative character. They are confronting a mass movement of resistance in the country. However, the Taliban's different personalities have continuously expressed their rejectionist views towards the United Nations peace process. No Government of the Taliban exists. The declarations of some of its personalities are denied, or at least not confirmed, by the other Taliban.

In addition to the massive and systematic violation of human rights by the Taliban, especially women's right, many of its personalities have rejected outright the principles of democracy, including free election, as being against their ideology (see Al-Mujallah, Arabic magazine, dated 16 October 1996).

I should be grateful if you would have the text of the present letter and its annex circulated as an official document of the General Assembly, under agenda item 39, and of the Security Council.

I wish to express my gratitude for your utmost desire for the restoration of complete peace and stability in Afghanistan.

(Signed) Abdul Rahim GHAFOORZAI
Acting Foreign Minister

ANNEX

Article published in Time on 4 November 1996

WORLD

Friends of the Taliban

As fighting nears Kabul, two POWs tell TIME that Pakistan sent soldiers to help the extreme Islamists

By EDWARD BARNES PANJSHIR VALLEY

THE 26 MEN SIT IN GRIM ISOLATION, huddled in a darkened cell of a former Soviet-built prison deep in northern Afghanistan's Panjshir Valley. They are sequestered from nearly 600 other prisoners, but even if they were allowed to mingle, they would still stand apart. The style of their clothes, the color of their skin, their very language mark them as outsiders. They are not Afghans. They are Pakistanis, captured while fighting against the forces of the Afghan government that was driven from the capital five weeks ago by the group of Islamic fighters known as the Taliban. The presence of these foreign supporters of the Taliban, claim officials at the prison, is hard proof that Pakistan, a U.S. ally, has arrogated for itself a more extensive role in Afghanistan's war than has ever been acknowledged.

IN JAIL: Pakistanis Zahid, left, and Zai acknowledged their mission

Even before the Taliban's victorious drive on Kabul, the ousted government had long insisted that the student-led band of Muslim warriors were actively backed by Pakistan's Inter-Services Intelligence Agency (ISI) and by some members of the country's powerful military. The motive: gaining some influence over a neighbor with whom it shares a long and exceedingly porous border. Prime Minister Benazir Bhutto has denied any involvement, but in late September, Naseerullah Babar, Pakistan's Interior Minister, flew to Afghanistan to work out a settlement between the Taliban and the most powerful of the Afghan warlords. While that seemed to support suspicions, the stories told by several of the prisoners in the Panjshir, if true, would constitute the first direct evidence that Islamabad's involvement with the war-riven nation to the west extends to recruiting Pakistanis and paying them to fight alongside the Taliban.

Khalid Mohammed Zai, 22, was a member of an Islamic paramilitary unit, based in Kulty Chawni in Pakistan's Punjab province. He says his unit was under the control of the ISI, and his mission, as it was explained to him and 1,000 other Pakistani fighters he says entered Afghanistan during the past two months, was to "go as a fighter and rise to a high position of influence." He was transported across the border by Pakistani military vehicles and, once in Kabul, received orders and money from the senior Pakistani officer in Kabul, a man named Naser. Zai was in the forefront of the Taliban troops who swept into Kabul on Sept. 27 and pushed the armies of Ahmad Shah Massoud, the former government's army commander, into the hills surrounding the capital. Zai was captured Oct. 13 near the Salang Pass, the high-water mark of the Taliban effort to drive Massoud's forces from the region. The campaign turned disastrous when Massoud retreated until the Taliban had stretched their lines dangerously thin. Then the Lion of Panjshir turned and abruptly struck at their flanks, a tactic he had used many times against the Soviets.

The momentum of this counterattack carried Massoud's forces through the village of Charikar, where Mohammed Zahid Pashtun, 26, another Pakistani fighter, was stationed. A devout Muslim and former engineering student, Zahid says he signed up for combat duty with a Pakistani intelligence officer and was given 40 days of training. He eventually reached Charikar, where Afghan civilians, who initially welcomed the Taliban, revolted after just 11 days of repressive rule, outraged by a draconian regime that bars women from working outside the home. Also outlawed are movies, music and chess. Captured, he now says he regrets his role. "I heard and saw how the Taliban treated people. If I get home again, I will tell people that the Taliban are not true Islam."

While Massoud is eager to drive them out, the Taliban have sworn they will not leave Kabul. Massoud, an ethnic Tajik, is aided by the Taliban's plummeting popularity, but the key to his offensive is his tenuous alliance with Abdul Rashid Dostum, a powerful Uzbek warlord, who is with Massoud's forces battling the Taliban near Kabul. The tribal nature of the conflict has always complicated the fighting. Last week the Taliban, mostly ethnic Pashtun, were going house to house in Kabul in search of Tajiks and Uzbeks. Pakistan's meddling can only worsen the hostilities, and the lines of refugees will stretch deep into the winter. —*With reporting by Meenakshi Ganguly/New Delhi and Lewis M. Simons/Washington*

UNITED
NATIONS

A E

General Assembly
Economic and Social Council

Distr.
GENERAL

A/51/655
E/1996/105
5 November 1996
ENGLISH
ORIGINAL: ARABIC/CHINESE/ENGLISH/
FRENCH/RUSSIAN/SPANISH

GENERAL ASSEMBLY
Fifty-first session
Agenda items 98 and 117
OPERATIONAL ACTIVITIES FOR DEVELOPMENT
ADMINISTRATIVE AND BUDGETARY COORDINATION
OF THE UNITED NATIONS WITH THE
SPECIALIZED AGENCIES AND THE
INTERNATIONAL ATOMIC ENERGY AGENCY

ECONOMIC AND SOCIAL COUNCIL
Resumed substantive session
of 1996
Agenda item 9
COORDINATION QUESTIONS

Review of financial resources allocated by the United Nations system to activities by non-governmental organizations

Note by the Secretary-General

The Secretary-General has the honour to transmit to the General Assembly and the Economic and Social Council the report of the Joint Inspection Unit entitled "Review of financial resources allocated by the United Nations system to activities by non-governmental organizations" (JIU/REP/96/4).

96-30408 (E) 081196 111196

/...

ANNEX

JIU/REP/96/4
[Original: English]

REVIEW OF FINANCIAL RESOURCES ALLOCATED BY THE UNITED NATIONS SYSTEM TO ACTIVITIES BY NON-GOVERNMENTAL ORGANIZATIONS

Prepared by

Francesco Mezzalama

Joint Inspection Unit

Geneva
1996

Contents

	Paragraph	Page
Acronyms		iv
EXECUTIVE SUMMARY, CONCLUSIONS AND RECOMMENDATIONS		vi
I. INTRODUCTION	1 - 13	1
II. ALLOCATION OF FUNDS BY THE UNITED NATIONS SYSTEM TO NGOs FOR PROGRAMME AND PROJECT IMPLEMENTATIO	14 - 29	4
A. Allocation of resources	19	5
B. Guidelines and procedures for allocating resources	20 - 22	5
C. Reimbursement of administrative support costs	23 - 29	6
III. CURRENT STATUS OF ALLOCATION OF RESOURCES, BY ORGANIZATIONS	30 - 136	8
A. United Nations Centre for Human Settlement (UNCHS's)	34 - 38	8
B. United Nations Develoment Programme (UNDP)	39 - 46	9
C. United Nations Environment Programme (UNEP)	47 - 52	11
D. United Nations Educational, Scientific and Cultural Organization (UNESCO)	53 - 64	12
E. United Nations Fund for Population Activities (UNFPA)	65 - 74	14
F. United Nations High Commissioner for Refugees (UNHCR)	75 - 82	15
G. United Nations Children's Fund (UNICEF)	83 - 92	17
H. United Nations Drug Control Programme (UNDCP)	93 - 99	19
I. Food and Agriculture Organization of the United Nations (FAO)	100 - 106	20
J. International Labour Organisation (ILO)	107 - 114	21
K. World Health Organization (WHO)	115 - 121	23
L. World Food Programme (WFP)	122 - 128	24
M. World Bank (WBK)	129 - 136	25
IV. ACCOUNTABILITY FOR FUNDS PROVIDED TO NGOS BY THE UNITED NATIONS SYSTEM AND REPORTING OF AGENCIES TO THEIR LEGISLATIVE BODIES ON RESOURCES ALLOCATED TO NGOS	137 - 151	27
A. Accountability	140 - 146	27
B. Reporting	147 - 151	29
V. CAPACITY-BUILDING THROUGH FINANCIAL AND MANAGEMENT SUPPORT FOR NATIONAL NGOS	152 - 160	31
Annex		33

Acronyms

ACC	Administrative Committee on Coordination
AFR	Africa
CBO	Community Based Organization
CCPOQ	Consultative Committee on Programme and Operational Questions
CSOs	Civil Society Organizations
CTA	Chief Technical Advisor
CTFs	Consultant Trust Funds
DDSMS	Department of Development Support and Management Services
DPI	Department of Public Information
ECOSOC	Economic and Social Council
FAO	Food and Agriculture Organization
FIAHS	Fund for Innovative Approaches in Human and Social Development
ICPD	International Conference on Population and Development
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
INGO	International Non-Governmental Organizations
ITU	International Telecommunication Union
JPO	Junior Professional Officer
JIU	Joint Inspection Unit
LAC	Latin America and Caribbean
LOU	Letter of Understanding
NGLS	Non-Governmental Liaison Service
NGO	Non-Governmental Organization
MPO	Master Plan of Operations
SGP	Special Grant Programme
SPR	Special Programme Resources
TC	Technical Cooperation
UNCED	United Nations Conference on Environment and Development
UNDCP	United Nations Drug Control Programme
UNDPCSD	United Nations Department for Policy Coordination and Sustainable Development
UNDP	United Nations Development Fund
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Fund for Population Activities
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNOV	United Nations Office in Vienna
UN/OPS	United Nations Office for Project Services
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization
WSSD	World Summit on Social Development

EXECUTIVE SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

NGOs have been traditionally cooperating with the United Nations system. The rapid and intense changes in the international scene have given NGOs additional responsibilities in order to respond to the new challenges involving them in practically all the activities performed by the entire system. This trend has brought with it a substantial increase in the financial resources, at the international and national levels, being devoted to NGOs activities within the United Nations system.

There is no standard definition of what NGOs are because of their diversity. For the purpose of the present report NGOs referred to are non-profit entity and partners of the system whose members are citizens or association of citizens of one or more countries, and whose activities are determined by the collective will in response to the needs of the members of one or more communities with which the NGO cooperates. They can be international, regional, sub-regional and national/grassroots. Their work covers a wide range including development, humanitarian relief, environment, education, technical assistance, counselling and capacity-building. An NGO should have a written statute and by-laws, a governing board, and a chief executive and staff.

Programmes and projects in the above mentioned sectors financed by the United Nations organizations include often NGOs as implementing partners. But NGOs are also donors and contribute considerable resources to the implementation of the economic and social development policy of the United Nations system. According to the estimates of the secretariat of the Organization for Economic Co-operation and Development (OECD), the total contribution of developed-country NGOs to developing countries was $8.3 billion in 1992, or 13 per cent of all development assistance (E/AC.70/1994/5, para.16). No precise global figure is available from the United Nations system.

Over the past few years, owing to the financial constraints, donors are demanding more justification of proper use of the resources they make available to the United Nations system. There is a growing preoccupation about improving efficiency and the United Nations is heavily engaged in its own financial struggle. In view of the foregoing, the concern of ACC and the request by WHO, which is supported by several operational organizations, for a report on how resources are devoted to NGOs activities and accounted for is timely and justified.

The conclusion reached by the Inspector in this new area of investigation of the financial management of resources devoted to NGOs by the United Nations system is that there is a need for a better accounting and reporting procedure by the entire system. Although each organization knows approximately and in general terms what portion of programme budget goes to NGOs activities, the majority of them could not provide the Inspector with precise and properly recorded financial figures. Because of this lack of precise figures no comparative statistics could be presented to show the allocation of resources to NGO activities by each organization. In addition cost benefit analysis are done on ad hoc basis and only by few organizations. Reporting to the legislative bodies of the organizations on the expenditure of funds on NGO activities is also done sporadically. The findings and the lessons learned will be of benefit to the United Nations system in further improving future working relationships and establishing a clear financial policy for collaboration with NGOs.

The Inspector concludes by pointing out that the weakness of the system resides in the fact that on one hand the accountability for funds going to NGO activities is insufficient and on the other that there is a need for a better reporting on the resources allocated to NGOs. He is of the opinion that there is an urgent need to improve the working relationship of the United Nations system with NGOs by introducing more precise criteria for selection, efficiency and accountability of NGOs through the elaboration of appropriate guidelines. Furthermore, the financial management ought to be strengthened by means of computerization of resources devoted to NGOs. A systematic reporting procedure to Member States and other donors on resources devoted to NGOs and on the disbursement of funds should be established. In addition, organizations should within the framework of "capacity building" involve more national NGOs as implementingpartners.

In view of the above the Inspector makes the following suggestions and recommendations which are addressed mainly to United Nations system organizations that provide funds to NGOs as implementing partners. The United Nations secretariat which usually does not finance NGOs activities is not concerned with all the recommendations. He wishes also to point out that the report cannot reflect in full all the detailed views expressed by United Nations system organizations, because of the constraints on the length of JIU reports.

RECOMMENDATION 1

All United Nations system organizations collaborating with NGOs in carrying out their tasks should establish a transparent financial management procedure by compiling and maintaining a database on their activities with NGOs. Such a database will also be useful as a way of measuring trends and recording experience as well as any other relevant information in cooperation with NGOs. This database should include, among others:

(a) All projects with NGO partnership, the project title and duration, beneficiaries, total budget and source of funds, the affiliated NGO and its type collaborating in the execution and/or implementation of projects;

(b) The percentage of the total project budget which goes to direct programme execution/implementation and that allocated to administrative support costs when existing.

RECOMMENDATION 2

United Nations system organizations recognize that the tasks of both "operational" and "advocacy" NGOs at the international and national levels are essential if the system is to achieve its objectives. In response to a recent decision of CCPOQ, an inter-agency assessment of whether there is a need for establishing an inter-agency mechanism which would bring together NGO focal points on programme and operational issues is currently underway. The increasing responsibilities require and merit full-time NGO liaison officers to follow and coordinate the activities of NGOs.

(a) At the Headquarters level, operational organizations which have not already appointed an NGO liaison officer should do so in order for him/her to consult, on

behalf of the organization, with NGO umbrella organizations, bilateral and multilateral donors, other UN agencies and different NGOs. The person in question should be informed regularly by the Budget Division on the status of allocation and expenditure of resources to NGO activities as well as be involved and provide inputs to the preparation of the budget dealing with NGO activities (see recommendation 3).

(b) At the country level, coordination with the Government, other national institutions and local NGO umbrella organizations should be assigned by each organization/agency to a national United Nations officer who has an understanding and appreciation of the local culture. He should carry out this function under the direct supervision of the Chief Technical Adviser (CTA) and where there is no CTA one of the agency staff members with similar functions who should be accountable and responsible for the management of the organization's resources devoted to NGOs activities.

(c) A mechanism should be established whereby headquarters and country level NGO liaison officers would share their experiences. This way both officials are informed of each others activities.

RECOMMENDATION 3

All United Nations operational organizations should evaluate the advantages and disadvantages of establishing a budget line for NGOs activities without prejudice for technical cooperation programmes to benefit from additional sources of funds.

RECOMMENDATION 4

ECOSOC in its proposal to the General Assembly on the updating of its resolution 1296(XIV) of 1968 (E.1996 L.25, para.6) specified that "Greater participation of non-governmental organizations from developing countries in international conferences convened by the United Nations should be encouraged". The Inspector agrees fully with this proposal and makes the following suggestions:

Organizations not involved in operational activities such as those mostly at the headquarters level, should envisage a budget line with limited resources, to enable them to provide administrative assistance to NGOs in general and particularly those coming from developing countries and from countries with economies in transition to attend meetings, seminars, conferences and workshops. An appropriate procedure should be developed for providing funds.

RECOMMENDATION 5

There is a need for a policy guideline which satisfy the current requirements for collaboration with NGOs. In addition to the ECOSOC framework for collaboration with NGOs, the operational organizations should establish their own policy guidelines in

/..

accordance with their mandates. Some organizations have already taken this initiative and have established such guidelines.

Therefore, those organizations which are collaborating with NGOs and which have not already established policy guidelines for cooperating with NGOs in project implementation, should proceed to formulate them. The policy guidelines should include, among other things, basic NGO selection criteria such as the NGO's credibility and accountability; administration and budgetary standards; lower cost compared to other implementing partners; familiarity with the local population; flexibility in responding to development needs; and long-term commitment to development.

RECOMMENDATION 6

The current climate of intense donor government interest in the proper use of funds in all areas of activities, including the non-governmental sector, highlights the need for the United Nations organizations to identify easily the resources they receive and be able to account for them, regardless of the size and the nature of the funds. In order to respond to this concern and in line with the intention of CCPOQ to address the same issue, the following steps should be taken:

(a) Since the primary accountability and responsibility for funds it receives from donors lies with the organization, it should be in a position to identify the resources it spends or allocates for NGOs activities and know how these funds are disbursed;

(b) Organizations which have not yet established a control system should do so within the framework of the letter of understanding or other suitable instruments. They should pay attention to accountability when reporting to their governing bodies on cooperation with NGOs and on the use by them of extrabudgetary and or supplementary financial resources including funds received from NGOs.

RECOMMENDATION 7

United Nations system organizations are increasingly aware of the advantage of working with national NGOs in certain areas of their activities, because of their knowledge of and roots in the local situation, and of the contribution they can make to building equitable and stable societies. In addition, by working with national NGOs the system could contribute more effectively to the country's economic and social development. To achieve this objective, in addition to the support for the Government, the following concrete comprehensive measures should be taken:

(a) United Nations system organizations, in particular the operational organizations should establish possibly at Headquarters or at least at the country level a list of national NGOs and other organizations of civil society that could be potential partners of the United Nations system and the international NGOs. This information should be included in the database proposed in recommendation No.I;

(b) Greater consideration should also be given to strengthen government capacities to maintain effective records of national registered organizations;

(c) CCPOQ may examine the possibility to use the database collected by the organizations to prepare a compendium of national NGOs for the use of the system taking into account the work that is already done in this area by UNGLS. Sharing and exchange of information on national NGOs among UN system organizations is recommended, specially at country level.

(d) United Nations system organizations should give active consideration to the involvement of national NGOs in the entire project cycle from identification, formulation and implementation partners. In the programme agreement between the Government and the organization, cooperation with national NGOs should be referred to when such cooperation is considered beneficial to the overall programme. United Nations system organizations should, as appropriate, assist national NGOs to formulate, mobilize resources for and implement programmes in support of their activities, in the context of capacity building;

(e) All United Nations organizations, in particular UNDP, UNICEF and UNFPA, should establish a system for training the staff of national NGOs inter alia on accounting, preparation and management of projects, reporting as well as on how to coordinate and collaborate with the United Nations system and the international NGOs and on what is expected of national NGOs in order to become a partner of the international community supporting development;

(f) In view of the fact that the national NGOs, in particular in developing countries do not have the same administrative, managerial and legal capacity as the international NGOs, flexible selection criteria should be established which takes into account credibility, representativeness and competence;

(g) In the light of the foreseen significant advantages of closer cooperation with national NGOs to enhance the effectiveness and impact of United Nations activities, organizations should make the requisite efforts to give appropriate attention to improve the mutual confidence between NGOs and Member States.

I. INTRODUCTION

1. In 1993 the Joint Inspection Unit prepared a report entitled "Working with NGOs: Operational Activities for Development of the United Nations System with Non-Governmental Organizations and Governments at the Grassroots and National Levels" (JIU/REP/93/1 - A/49/122-E/1994/44). The Administrative Committee on Coordination (ACC) found the report to be significant contribution to understanding an increasingly important dimension of the work of the United Nations system in the broad field of development (A/49/122/Add.1). In that same report, however, several ACC members expressed the wish that there should be a companion report containing a financial analysis and comparison of costs involved in United Nations/Government/NGO activities. The World Health Organization (WHO) confirming the wish expressed by ACC, requested the JIU to carry out a review of the financial resources being devoted to NGO activities by United Nations system organizations.

2. Furthermore, over the past years, the cooperation between the United Nations system and NGOs in the areas of formulating policies at headquarters and the actual operational activities at field level have become the subject of discussion and concern by different fora in the system. In view of these new developments and concerns and the fact that the above-mentioned JIU report focused mainly on how to improve the operational working relationship between United Nations organizations and NGOs, without a detailed analysis of the funds provided to NGOs, the Unit decided to look into the financial aspects of the relationship between the interested partners and to present its findings to the legislative bodies of the organizations for action.

3. However, in his undertaking the Inspector was confronted with the difficulty that only in certain cases statistical data were supplied. This situation did not allow to establish the desired comparative analysis of the available financial resources for NGO activities.

4. The JIU deems useful to call the attention on the scope of the report. The desirability expressed in some of the comments to the draft distributed for observations that the report should be enlarged and address in a more general way the activities of NGOs in their multifaced involvements, though not ignored by the Inspector, could not be satisfied because it would have greatly detached from the focus of the report and from the response to the requesting agencies.

5. The purpose of this report will be to examine the rules and procedures of allocating funds from both regular and extrabudgetary sources for activities carried out by NGOs on behalf of the United Nations system organizations that provide funds to NGOs as implementing partners. The scope of the report is therefore limited to the allocation of resources by the organizations and specialized agencies of the United Nations system as well as the programmes and funds of the United Nations which are financed by voluntary contributions.

6. The report further analyzes the current status of the allocation of resources by the various organizations and the methods used for dividing resources between direct implementation of programmes/projects and administrative support costs. It will review the accountability procedures used by NGOs for the funds they receive from United Nations system organizations and the procedures of system organizations for reporting to their legislative bodies on resources they assign to NGO activities. The report will also examine steps taken and contributions made by system organizations to the capacity-building of

developing countries by strengthening national NGOs through, among other things their sources of finance.

7. The report does not include an analysis of the United Nations itself, which usually does not directly finance NGO activities. The NGOs that the United Nations Secretariat, including the Geneva Office, collaborate with are those NGOs which do not require funding and are mainly of the headquarters advocacy and information type, such as the UN/DPI NGOs and those involved in human rights and disarmament activities. In certain cases, these types of NGOs are charged by the United Nations, for example, for the use of meeting rooms and other office facilities.

8. There are however, exceptions to the above situation, such as the United Nations Department of Development Support and Management Services (DDSMS), which works with international NGOs in the field of public administration and finance and in the area of social development with locally based NGOs. DDSMS rarely finances NGO services and, when its does, the amount is small. The Department of Humanitarian Affairs (DHA) also works closely with NGOs and has the overall responsibility of coordinating their activities with that of the United Nation system organizations through the Inter-agency Standing Committee. DHA works only at the policy level, it is not operational and does not finance NGOs directly.

9. The United Nations Department for Policy Coordination and Sustainable Development (UNDPCSD) is another major department of the United Nations which has close working relationships with numerous NGOs. It provides substantive and technical support to facilitate their involvement in the intergovernmental processes. The department has received inter-governmental mandates for working with NGOs in the economic and social fields as well as for monitoring and promoting the implementation of decisions made in major conferences such as the Earth Summit in Rio; the Copenhagen Programme of Action; the Beijing Platform of Action and the United Nations New Agenda for the Development of Africa in the 1990s. However, while NGOs support the programmes of UNDPCSD through their own activities, they do not generally implement the work of the Department in a strictly operational sense.

10. The United Nations Office in Vienna (UNOV) is also an exception, since it works directly with different types of NGOs. Although no funds are specifically allocated to NGO activities, limited resources are occasionally used to obtain services and inputs. In addition, some of its programmes, such as the United Nations Drug Control Programme (UNDCP) and the Crime Prevention and Criminal Justice Division, collaborate intensively with international and national NGOs. Because of its high level of collaboration with NGOs, UNDCP is further analyzed in chapter III, with the other organizations and agencies of the United Nations system.

11. Finally, the Inspector is fully aware that the Regional Commissions which are the operational arms of the United Nations work closely with NGOs. However, because of the dimension of the areas and the insufficient feedback to the draft report sent for comment, thorough analysis of their cooperation with NGOs could not be included in the report.

12. During the preparation of the report the Inspector has contacted several United Nations financing organizations, specialized agencies and coordinating bodies including UNDP, UNICEF, UNFPA, UNHCR, UNGLS, ILO, WHO, FAO, WFP and IFAD, as well as the technical agencies at headquarters level, which include WIPO, ITU and WMO. He

discussed issues and problems involved with senior officials of these organizations responsible for cooperation with NGOs and their contributions have been a very useful input in the preparation of this report. In addition to interviews and collection of data, the Inspector has also obtained essential information through a questionnaire (see Annex for analysis) answered by all the organizations contacted. The replies to the questionnaire further confirmed the need to asses the financial aspect of the partnership between United Nations system organizations and NGOs.

13. The Inspector is grateful to all the officials of the various organizations who cooperated with him fully during the preparation of the report.

II. ALLOCATION OF FUNDS BY THE UNITED NATIONS SYSTEM TO NGOS FOR PROGRAMME AND PROJECT IMPLEMENTATION

14. The United Nations system works with several types of NGOs at the international, regional, subregional and national levels. Some of these NGOs are in consultative status with the Economic and Social Council (ECOSOC), which provides the bases for them to participate in the work of the United Nations and its specialized agencies. There are at the present time about 1611 NGOs in consultative status. ECOSOC in its resolution 1993/80 of 30 July 1993, requested a general review of arrangements for consultation with non-governmental organizations, with a view to updating, if necessary, Council resolution 1296(XLIV) of 23 May 1968. Hence the consultation arrangements with NGO have recently been the subject of intense scrutiny and discussion by an intergovernmental working group. On the basis of the consultations by this group, ECOSOC during its substantive session of 1996 has decided "to recommend that the General Assembly examine, at its fifty-first session, the question of the participation of non-governmental organizations in all areas of the work of the United Nations, in light of the experience gained through the arrangements of consultations between non-governmental organizations and the Economic and Social Council". (E/1996/L.24, 16 July 1996)

15. According to the revised arrangements for consultation with NGOs, the requirement for an organization to have this privilege is, inter alia that: the organization shall be concerned with matters falling within the competence of the Economic and Social Council and its subsidiary bodies; the aims and purposes of the organization shall be in conformity with the spirit, purposes and principles of the Charter of the United Nations; the organization shall undertake to support the work of the United Nations and to promote knowledge of its principles and activities, in accordance with its own aims and purposes and the nature and scope of its competence and activities. (E/1996/L.25 of 17 July 1996).

16. However, for many United Nations system organizations, a consultative status with ECOSOC is not a requirement for collaboration with NGOs. Because of the enormous expansion of NGOs at the international and national levels and because of their increasing involvement in United Nations activities, organizations work with all types of NGOs. The overwhelming majority of NGOs that work with United Nations system organizations therefore, are not in consultative status with ECOSOC. This situation has evolved due to the highly decentralized character of these United Nations organizations, the nature of their work and activities, at national and sub-national levels.

17. The Inspector welcomes the initiative by ECOSOC as timely and necessary. He fully supports the spirit of the proposal aiming at strengthening and enlarging the cooperation between ECOSOC, its subsidiary bodies and NGOs. In particular the attention given to improve management, accountability and transparency appears to be significantly relevant.

18. In order to be able to work with grassroots, community-based NGOs which are not in consultative status with ECOSOC, almost all United Nations organizations have established their own list of NGOs in addition to those with consultative status. Therefore the increasing number of NGOs collaborating with the United Nations and the constantly changing environment of the working relationships between the United Nations and NGOs has created a need to identify the types of financial and other relations that exist between the two partners.

A. Allocation of resources

19. United Nations system organizations are not major providers of funds for NGOs, since some NGOs are far richer than they are. However, a good number of the organizations spend a considerable amount of their resources on financing NGOs, since a substantial proportion of their programmes are implemented by the latter. The questions that have been raised by certain entities of the system, which are executing agencies and others providers of funds are: how much money is devoted to NGO activities by each organization, what are the criteria used for selecting and financing these NGOs, what percentage of the allocated budget goes to direct programme/project implementation and how much of it is spent on administrative support costs such as salaries, transportation, travel, communications and equipment. The current report therefore, attempts to look into the financial rules, regulations and procedures used by organizations for allocating resources to NGOs.

B. Guidelines and procedures for allocating resources

20. Most of the operational organizations, in particular the major financing ones such as UNDP, UNFPA, UNHCR, WFP and IFAD, have established guidelines for collaborating with NGOs. In the case of UNICEF, although the organization knows that there are certain minimum requirements which need to be fulfilled before any financial engagement can be justified, it is expected that the work on clear and consistent guidelines for organization-wide cooperation with NGOs will be finalized by the end of 1996. While the guidelines indicate the general operational procedure, the detailed agreement, including the financial aspects, is usually included in the project document signed by both parties. In submitting requests for assistance, NGOs should follow the requirements contained in the guidelines and respect the agreements included in the project document. The project document, however, does not always specify in figures the funds earmarked for NGOs to carry out a specific task. Nor does it separate the percentage of the budget for programme implementation from the percentage for administrative support costs.

21. Very few organizations have identified special funds for NGOs and recorded the amount which goes for direct implementation and the amount earmarked for administrative costs. Out of 16 organizations and agencies contacted by the JIU, only two, UNDP and UNESCO have special funds allocated for NGO activities. The current practice is for the resources for NGOs to be included in the budget allocated for the entire programme and/or project, without clearly identifying the specific amount devoted to NGO activities. Again, most of the organizations working with NGOs in the areas of dissemination of information, organizing conferences, seminars and training have also no budget line for administrative items such as photocopying machines, faxes, computers etc. to be used by NGOs coming from developing countries to attend conferences and seminars. This situation has resulted in three serious problems from the point of view of accountability and responsibility:

(1) It is impossible to identify the numbers and types of NGOs receiving funds from the United Nation system;

(2) There is no systematic method of tracing funds devoted to NGOs by the organizations and hence by the system;

(3) Although there is awareness that the cost-benefit is not the primary principle and the only criteria for working with NGOs, it is not possible to carry out such an analysis of services provided by NGOs by the funding organization, since no separate financial recording is kept. To date, no one organization has made a global cost-benefit analysis of operations by NGOs.

22. The argument put forward by most of the organizations for this practice is that to keep a separate financial record for NGOs activities will require more resources. The Inspector is, however, of the opinion that additional costs for this function could be avoided if the necessary data indicating the share of the budget earmarked for NGOs were included in the project document at the inception of the project. Organizations should computerize their financial and other administrative records, as well as develop databases for their various programmes and projects, including those which involve NGOs. By doing this, they will ensure a good controlling system on how resources are being utilized.

C. Reimbursement of administrative support costs

23. Another area of the allocation of resources that is not as transparent as it should be is the overhead costs paid to NGOs. United Nations organizations do not in principle provide funds in support of administrative/overhead expenses incurred by NGOs. The reimbursement of costs incurred by NGOs is however practised in some cases and it varies from one organization to another and so do the payment procedures. Some of the organizations' guidelines for collaborating with NGOs specify that NGOs are reimbursed at a flat rate of given percentage for indirect costs (support costs which includes salaries, communication, other personnel costs) of NGO-executed projects and programmes. These organizations may pay direct costs related to, among other things, salaries, communications and documentation. The agency support cost paid by UNDP to United Nations executing agencies is 13 per cent and the agencies' payment to NGOs varies, depending on the agreements concluded between the two partners.

24. When funds for administrative support costs are provided, in accordance with the new Project Cooperation Agreement being prepared by some organizations, they are to be included in the project budget. In addition, a small number of organizations consider capacity-building/institution-building as an increasingly important strategy for sustainable development and provide the necessary support for the establishment of an NGO's basic administrative functions.

25. And yet other organizations' policy is that, when the organization enters into a sub-agreement with an NGO implementing partner, it is on the understanding that the NGO contributes resources to the project and that they are detailed in the project budget. If an NGO was to be fully funded by an organization, its status would be that of a contractor; such contracts would effectively be a commercial relationship and not a partnership. The level of the NGO contribution to the project will therefore determine the organizations' flexibility in accepting to cover in-country and regional (if required) direct administrative costs. Within this framework, representatives of organizations in the field negotiate administrative support costs with partners. It is also the belief of certain organizations that more flexibility may be appropriate for local NGOs than for those based outside the country. It is still debated if organizations should also cover direct or indirect administrative costs associated with an international NGO's headquarters and if expatriate salaries and related costs/benefits should also be covered by the donors.

26. The majority of the organizations normally reimburse only the direct costs incurred by their partners in the implementation of operations. It is also the policy of several of the organizations to ensure that funds to third parties are provided mainly for programme activities. Even those which cannot provide the exact statistics on their expenditures are convinced that they spend more on programmes than on administrative support costs.

27. The above analysis indicates that each organization deals with NGO financing in accordance with its guidelines and policies, as well as agreements entered into in the project document. The Inspector fully understands the need for this independence and flexibility. The financial crisis faced by the system nonetheless further emphasizes the need for a more transparent policy and procedure of accounting for all types of resources devoted to NGOs, both from regular and extra-budgetary sources. Reimbursement of administrative support costs is one such cost. Therefore, the Inspector stresses that efforts have to be made by organizations to prepare statistical data to show the portion of the resources devoted to NGOs for direct programme execution and for administrative support costs.

28. This, in the Inspector's view, will help firstly to document the resources devoted to NGOs in general; secondly, it will facilitate the task of internal and external controllers to verify the programme funds; thirdly, it will make it easy for organizations to inform Member States of the resources devoted to NGOs; and fourthly, it will help organizations to carry out cost-benefit analyses on the operations of NGOs.

29. The next Chapter will further analyse the criteria they use to select NGOs as partners in the implementation of projects and the status of the allocation of resources by organizations.

III. CURRENT STATUS OF SELECTION AND ALLOCATION OF RESOURCES BY ORGANIZATIONS

30. United Nations system organizations have different types of programmes financed from the regular budget (assessed contribution from Member States) and/or from voluntary funds. Some programmes are financed from both sources.

31. The majority of the United Nations system programmes are field programmes funded from extrabudgetary sources. To carry out these programmes, NGOs could be the implementing partners of the United Nations system on the basis of an agreement specified in a project document. A specific percentage of the funds goes to them for the participation in the implementation of programmes and/or projects.

32. Since its inception, the United Nations (Article 71 of the Charter) included NGOs as vital partners of the system. In the past few years, the United Nations system has further recognized that cooperation with NGOs has to be strengthened. This is due to the change in the nature of United Nations system operations at the field level, which are increasingly dealing with grassroots and community-based organizations and requires the direct participation of the population, which is the culture and domain of NGOs.

33. Over the years, organizations have built up close working relationships with NGOs in accordance with their specialized areas of activities and most of these organizations have long-standing relations with their identified NGOs. In the following paragraphs the report will examine, organization by organization the criteria for selecting NGOs and the current status of allocation of resources.

A. United Nations Centre for Human Settlements (UNCHS's)

34. UNCHS's (Habitat) collaboration both with NGOs and other actors in the civil society arises from the multi-sectoral and multi-disciplinary nature of the human settlements issues. The Centre promotes the effective involvement of NGOs both at the headquarters level on policy formulation in the field of human settlements and participation in the sessions of the Commission on Human Settlements (CHS) and at the filed level as partners in the implementation of projects. UNCHS collaborates with approximately 2,400 NGOs and works with a number of major international NGO networks in the areas of technical cooperation and advocacy. It does not classify NGOs into groups but works with all NGOs involved in the Human Settlements sector. These include both development and advocacy NGOs regardless of consultative status with ECOSOC. UNCHS, however, does not yet have a system of granting consultative status to NGOs. The NGOs participated in all the sessions of the Commission on Human Settlements and have made valuable contributions to the formulation of policies and programmes at the international level. In particular NGOs presented a comprehensive statement to Committee No.2 of the second United Nations Conference on Human Settlements (Habitat II), the "Partners' Committee", stating their commitments to the implementation of the Habitat Agenda. This is in line with the recommendation No.7 made by the JIU on its report "Working with NGOs...." of 1993.

1. Criteria for selecting NGOs

35. Criteria for the selection of NGOs at the headquarters level include knowledge or commitment to human settlements issues, work in a relevant field and demonstrated capacity for producing the desired result or product. At the field level a wide range of NGOs and CBOs are involved in project implementation. Choice of a local NGO as an executing agency is made directly at the project level by project managers. Since most projects are undertaken in collaboration with the Government, the Governments have a role in the selection of the NGOs.

2. Allocation of resources to NGOs

36. In the area of technical cooperation, the UNCHS has allocated approximately $2 million for subcontracted activities undertaken with or through NGOs between 1990 and 1995 for Afghanistan from IFP resources. Of this amount three quarters was disbursed through national NGOs. This has provided the programme staff with an alternative to implementing "through" NGOs, towards an approach which promotes joint advocacy on behalf of the beneficiary community. This results in programmes that are collectively conceived and subsequently implemented either by the UNCHs, NGOs, local government or the community itself, depending on their respective potentials. In the area of advocacy, UNCHS had considerable cooperation in mobilizing NGOs for the execution of several activities which enabled NGOs to paly an effective role in policy formulation at the national as well as at the international level until and during the Habitat II Conference.

37. Funds provided to NGOs varies from activity to activity. At the headquarters level some seed grants are being channelled to fund the involvement of NGOs for strengthening from the stage of policy formulation to its implementation at the field level. NGOs which have been provided such grants submit a report of activities. At the field level, amounts allocated to NGOs in project implementation is part of the overall project budget and in general there is no separation of accounts for NGOs. However, this depends upon the reporting requirements of the donors/s.

3. Accountability of NGOs and Reporting

38. Systems for reporting on NGO-subcontracted activities are the same as for any other subcontracted activity, as spelt out in the memorandum of agreement prepared with the respective NGO. This includes a requirement for the NGO to report at key stages of the implementation process, and for the donor to ensure that monitoring staff are available for inspection. Outputs are summarized on a standard end-of-subcontract report, endorsed by the UNCHS and the funding agency.

B. United Nations Development Programme (UNDP)

39. UNDP no longer implements the activities that it funds. Its programmes are carried out by the executing agencies, which include non-governmental organizations. These organizations are responsible for the management of a programme or a project. Close to 20 per cent of UNDP's projects are executed by the United Nations Office for Project Services (UN/OPS). It works with operational NGOs through the procedure of subcontracting. Therefore, the bulk of what goes to NGOs from UNDP is for subcontracting agreements and the subcontracting is done not by UNDP but by the

executing agency. This arrangement sometimes hinders UNDP's control over its funds assigned to NGOs.

40. The organization, however, has a direct agreement with local and national NGOs in several of its grant programmes, which take the forms of grants up to US$50,000. These include the Global Environment Facility (GEF); Partners in Development Programmes (PDP); Africa 2000 Network; Asia and Pacific 2000 Network; Education for all programme; the Capacity 21 programme; the Women in Development programme; Poverty Eradication and Grassroots Participation programme and LIFE Small Grant Programmes. During the period 1992-1996 UNDP has allocated US$77.5 million to the above mentioned programmes. The organization's competitive bidding requirements for contracts are waived for such grants. These grant activities are directed to national NGOs for sustainable development at the country level, capacity-building of local NGOs, as well as the strengthening of networking among NGOs and between NGOs and Governments.

1. Criteria for selecting NGOs/Civil Society Organizations (CSOs)

41. NGOs/CSOs that UNDP chooses to collaborate with are assessed individually before any grants/subcontracts are issued. In the case of small grant programmes, funding decisions are made in a strictly decentralized fashion by National Selection Committees which have their own ways of assessing NGOs/CSOs and whose decisions are informed by local knowledge of ground level realities.

42. For selecting and screening the most important criteria tends to be an organization's track record in performing specific functions, such as project implementation, advocacy, or watchdog functions, and in managing and accounting for donor funds.

43. It is important for decisions on partnerships with NGOs/CSOs to be made in a participatory way, relying heavily on advice from person(s) well informed about a given NGO/CSO community and its members. The partnership principle also implies that NGO/CSO partners should not simply be "instrumentalist" in order to achieve specific outputs. Instead, partnerships should be built on a foundation of mutual trust, transparency and joint decision-making.

44. UNDP Country Offices have an appointed "NGO Focal Point", usually a national or international staff member, but in some cases a Junior Professional Officer (JPO). Financial management and accountability depend on the execution modality and are strictly in accordance with established UNDP financing rules and regulations.

2. Allocation of resources to NGOs/CSOs

45. UNDP does allocate special funds to NGOs/CSOs. Its Headquarters has made extensive use of Special Programme Resources (SPR) for these purposes during the 5th Cycle. This category of funds was in itself subdivided thematically into a number of specific budget lines. For example "SPR sub-category B1" had funds of US$20 million, 7.5 million of which was allocated to the Partners in Development Programmes.

46. Concerning the percentage of the funds allocated to programme activities and administrative support costs, given the variety of available UNDP funds used to finance NGO/CSO and the different types of execution modalities, there are no statistics available

on the average percentage of NGO/CSO expenditures on items related to administrative support, as distinct from items related to project activities.

C. United Nations Environment Programme (UNEP)

47. UNEP's collaboration with NGO sector has been influenced by its mandate to encourage environmental initiatives and actions by competent organizations rather than seeking to implement projects in the field directly. Areas in which UNEP has collaborated with NGO partners include environmental law, public information, assessing state of the environment, outreach to selected target groups (children and youth, women, local authorities, parliamentarians, among others), and policy analysis and formulation.

1. Criteria for selecting NGOs

48. Programme units of UNEP have collaborated with NGOs in programme implementation on the basis of their expressed interest and known competence. The viability, capacity and track record of the NGO partners are important considerations and are usually included in background information in project documents.

2. Allocation of resources to NGOs

49. The Information and Public Affairs Branch, operating under the Division of Policy and External Relations, is responsible for NGO accreditation to UNEP and has traditionally budgeted for activities of and with NGOs. Regional Offices have, in the absence of country offices, given direct support to national and community organizations from funds in the outreach budget earmarked for the regions. Regional Advisory Services (RAS) funds also benefit NGOs for specific purposes, including support for attendance at technical meetings. In the last two years there has been some joint fundraising (co-fundraising) with NGO partners for agreed projects. This way UNEP can lend its name to ventures which it would like to see funded but for which it does not have enough funds of its own.

50. Support is in all cases for individual projects and is managed through project documents. Funds for activities are drawn from both the Environment Fund and from Trust Funds earmarked for specific areas of work. Some trust fund money has sometimes been specifically for NGO small grants for designated activities.

3. Accountability of NGOs and reporting

51. Where the reporting/accounting and in-built evaluation requirements are complied with as stipulated in project documents, the question of whether or not the funds are properly spent will generally not arise as successive tranche of funds will only have been released upon satisfactory performance and reports.

52. However, there has hitherto been a difficulty in having a readily available overview of what UNEP spends on NGOs since this is scattered in many parts of the programme. This difficulty and that of reporting on NGO and Major Groups participation in programme design and implementation should be rectified in due course through a planned integrated Major Groups database. This database will be aided by the proposed incorporation into project design of a requirement to reflect mode of NGO/Major Groups participation and/or benefit. It is hoped that the integrated database will capture essential data on

expenditures and target groups from project documents, showing the source and magnitude of funds as well as the target groups or beneficiaries. Given the trends in co-fundraising, it will be interesting too to see the funds raised jointly for common programmes and projects from third party sources, whether government or private sector.

D. United Nations Educational, Scientific and Cultural Organization (UNESCO)

53. Cooperation between UNESCO and NGOs dates back to the Organization's inception in 1945, when its founders recognized the need to work closely with civil society's academic, scientific and intellectual communities in the pursuit of its mission. (Article XI, paragraph 4 of UNESCO's Constitution). Over the years, however, the relationship has evolved. UNESCO has classified the types of NGOs with which it works ever since 1960, has published lists of NGOs with which it cooperates for almost fifty years and adopted a new set of statutory arrangements ("Directives") for cooperation with NGOs. As at 31 December 1995, UNESCO maintained official relations with 588 International NGOs plus informal/ad hoc contacts with over 1,000 others.

1. Criteria for selecting NGOs

54. The new types of relations UNESCO has with NGOs are now divided into two main blocks: formal relations, which are tight, demanding relations; and a new type of operational relations that are designed to respond to the need for greater flexibility. The conditions for collaboration with international NGOs which have formal relations with UNESCO are based on consideration of the following criteria: purpose in agreement with UNESCO's field of competence and objectives; representation of various cultural regions; community links; recognized legal status; established headquarters; resources and democratic structure and period of on going activities, (4 years).

55. The criteria for the establishment of operational relations obey the same basic principles but are designed to be more flexible in their application. The new guidelines also make extensive provisions for collective consultation mechanisms for NGOs whose cooperation with UNESCO is operational in character and which can, through such mechanisms, provide their views on UNESCO's programmes and priorities.

56. Under the present system, contracts with national NGOs can be concluded, as long as the National Commission is consulted. In addition, UNESCO has just introduced a policy that all major UNESCO field units are to designate an NGO resource person.

57. UNESCO further proposed to its Executive Board during the session held in 1993, that the list of NGOs participating with the organization should be expanded to include more NGOs, particularly those with activities on the ground. A Special NGO Support Programme in order to enlarge cooperation with NGOs was introduced in 1994, financed to the amount of some $800,000 in the current budget biennium. Criteria for financial contributions in different forms to NGOs were also redefined and the arrangements are subject to the following criteria:

ability to work competently and effectively; be representative and close to the communities to be served on the ground;
perform preferably in developing countries and in UNESCO's priority areas such as LDCs, Africa, women, youth and basic education.

2. Allocation of resources to NGOs

58. UNESCO has five types of mechanisms for funding NGO activities which includes (i) financial contributions for the implementation of Framework Agreements; (ii) regular programme contracts; (iii) Participation Programme; (iv) contributions under the NGO Special Support Programme, and (v) a new policy of short-term subventions. In principle, all contributions to NGOs are for programme activities.

59. The biennial financial contributions granted for the implementation of Framework Agreements (six-year protocols on shared programme priorities) can be awarded to NGOs that make a particularly valuable contribution to the achievement of UNESCO's objectives and to the implementation of an important part of its programme. They are made on grant basis and as a supplement to funds from other sources. This policy has enabled UNESCO to associate a number of intellectual, educational, scientific and cultural co-operation networks in its activities. Amounts granted to international NGOs by the organization during the period 1990-1991 amount to US$3,460,700; for 1992-1993 the amount is reduced to US$3,265,300 and for 1994-1995 it is further slightly reduced to US$3,224,200.(UNESCO 28 C/42, para. 147, 21 August 95)

60. UNESCO also concludes contracts with NGOs for executing its activities included in the work programme adopted by the General Conference. A contract involves the payment of a certain sum of money to an NGO in return for the performance of a specific task. In this category of relationship, UNESCO has concluded contracts and paid during 1990-1991 the amount of US$4,064.629 and increased the sum for 1992-1993 to US$4,836,831 (UNESCO 28 C/42, para.147, 21 August 1995).

61. The third type of financial relationships includes regional NGOs which execute the organization's interregional activities identified as the Participation Programme. Under these programme UNESCO has allocated for the period 1990-1991 US$484,700 and for 1992-1993 US$533,500. (UNESCO 28 C/42, para.157, 21 August 1995).

62. The Special NGO Support Programme is designed to assist NGOs particularly in developing countries or international NGOs working in development.

63. Under the new policy, subventions may be granted for a maximum of four years to newly created NGOs or those beginning cooperation with UNESCO, particularly in developing countries or emerging democracies.

64. A new set of financial and material arrangements for cooperation with NGOs has also been adopted by the Executive Board of UNESCO in application of the new policy guidelines. Furthermore, adjustments in the Organization's internal accounting and coding system introduced in 1996 provide full transparency and detailed information concerning all financial contributions made to NGOs under the five modalities outlined above. These are in line with accountability requirements.

E. United Nations Fund for Population Activities (UNFPA)

65. Since its establishment, UNFPA has worked closely with NGOs in the areas of advocacy and awareness-creation activities as well as in the delivery of family planning services. At all of the major conferences in which UNFPA had substantial inputs, such as the World Population Conference held in 1974; the International Conference on Population, in Mexico City in 1984; the International Forum on Population in the Twenty-First Century in 1989; and the United Nations Conference on Environment and Development (UNCED) in 1992; the International Conference on Population and Development, Cairo 1994, there had been a declaration requesting the United Nations system and Governments to work more closely with NGOs at all levels, from policy and decision-making to implementation of programmes.

66. In its early relations with NGOs, UNFPA supported financially a large number of international NGOs in their awareness promotion activities. In more recent years however, it has further expanded its collaboration to national and local NGOs, including those not affiliated with international and regional organizations.

67. In order to seek out the views of NGOs, the Executive Director established an NGO Advisory Committee composed of international, regional and national NGOs. This Committee, which meets once a year, is to advise the Fund and to collaborate in the important task of carrying forward the Programme of Action agreed to by the international community at Cairo. UNFPA takes their recommendations very seriously and acts on them to the extent possible. A recent initiative is to encourage UNFPA field offices to establish locally such advisory relationship.

1. Criteria for selecting NGOs

68. The fruitful NGO/UNFPA partnership partly stems from suitable arrangements in consultation and accreditation. UNFPA relates NGOs in a way that travels beyond the list of NGOs in Consultative Status with ECOSOC, maintaining a list of NGOs with whom UNFPA has a collaborative relationship. There is a Working Group on NGO accreditation which reviews criteria for NGO/UNFPA collaboration and their recommendation is subsequently submitted to the Policy and Planning Committee for approval.

69. In order to receive funding from UNFPA, the NGO has to provide the following information (UNFPA/CM/86/65 of 14 November 1986): names and qualifications of members of the governing bodies and senior executives; the constitution; the legal authority under which the organization operates; list of national constituents (in the case of an international organization with national affiliates); information on programmes or activities related to population issues; audited accounts for the most recent fiscal year (plus names of the external auditors); particulars about bonding or fidelity insurance, where applicable, covering the organization's employees; and banking information.

70. NGOs seeking assistance from UNFPA should show to the satisfaction of UNFPA that they have substantive knowledge and experience in population activities, and that they have the ability and capacity to execute projects on their own.

2. Allocation of resources to NGOs

71. UNFPA devoted 15 per cent of the Fund's annual programme budget (excluding the administrative support costs) to NGOs activities during the period 1992-1995. An NGO collaborating with UNFPA as an executing agency may be reimbursed up to 12% of the project expenditure to cover administrative support costs or overhead.

72. Between 1992 and 1995, out of the total UNFPA project expenditure incurred by United Nations Agencies, Governments and NGOs, i.e. $694,849,576, NGO expenditures amounted to $103,168,211 representing 15% of both regular and trust funds of UNFPA programme resources. Out of the regular funds, 87.8% went to international NGOs and 12.2% to national NGOs. Out of the trust funds, 95.6% went to international NGOs and 4.4% to national NGOs. It is important to note that the portion due to national NGOs is an under-estimation because it does not include activities carried out by national NGOs under country programmes for projects executed either by international NGOs, governments and/or United Nations agencies, which are officially listed as executing agencies.

73. The following table reflects the breakdown of funds provided to NGOs to implement UNFPA projects for the period 1992-1995 for direct programme implementation and for administrative support costs or overhead.

Year	Programme Implementation ($)	Administrative Support Costs ($)	Total ($)
1992	19,416,647	996,418	20,413,065
1993	19,708,156	1,291,657	20,999,813
1994	29,345,000	1,346,096	30,691,096
1995	34,698,408	1,081,597	35,780,005
Total	103,168,211	4,715,768	107,883,979

74. While UNFPA is favouring the allocation of resources to NGOs, it is also concerned that the limited infrastructure, particularly of national NGOs, might constrain their ability to respond effectively to the increased and diverse demands being made on them. UNFPA therefore envisages allocating additional funds to strengthen NGO administration and management capacity.

F. Office of the United Nations High Commissioner for Refugees (UNHCR)

75. NGOs are an important partner in the implementation of the UNHCR's work programme. Collaboration with NGOs does not depend on the NGO being in consultative status with ECOSOC.

1. Criteria for selecting NGOs

76. UNHCR works with national and international organizations, who share a non-political mandate. Its criteria for selecting working partners are as follows: an NGO must be registered by the Government in the country; it must have a relationship with the Government; it must be able to produce audit certificate for its finances and it must keep a separate account for UNHCR.

77. In view of UNHCR's increasing responsibilities and expanded functions, such as taking care of internally displaced persons, the organization has added expertise and flexibility as desirable criteria for selecting NGOs. Governments have no direct role in the selection of NGOs.

78. As to the amount and/or percentage of resources devoted to grassroots and community-based organizations, UNHCR's financial procedures do not differentiate between grassroots and national NGOs as opposed to international NGOs. The only distinction drawn in regard to implementing partners is between governmental and non-governmental organizations.

79. Concerning an NGO liaison person, most UNHCR field offices have appointed NGO focal points responsible for following-up the implementation of the different programmes. According to UNHCR these officers are meant to be senior international officers but, depending on the office's staffing structure, they could also be national officers.

2. Allocation of resources to NGOs

80. UNHCR has about 400 implementing partners and a substantial proportion of its assistance programmes is implemented by NGOs. These programmes are all funded from voluntary contributions (the United Nations Regular Budget contribution allocated to UNHCR covers only costs related to 244 posts at UNHCR Headquarters).

81. Out of a budget of $1.2 billion, $350 million are for NGO agreements, i.e. 30% of the budget, although this does not necessarily mean that the total amount is actually available. For example, for 1995, there were only $190 million and the year was begun with less resources. Therefore, each agreement with an NGO specifies that it receives the money subject to the availability of funds.

82. The following table gives a breakdown of voluntary funds provided to NGOs to implement UNHCR projects for the period 1991 to 1995 for direct programme implementation and for administrative support costs.

Year	Programme Implementation $	Administrative Support Costs $	Total
1991	145,600,600	10,027,400	155,628,000
1992	164,972,900	25,736,100	190,709,000
1993	240,219,600	38,524,900	278,744,500
1994	312,056,500	35,825,900	347,882,400
1995	340,746,000	14,444,800	355,190,800

Note: the 1995 figure is only an estimate. The final figure will be available when 1995 projects are closed.

G. United Nations Children's Fund (UNICEF)

83. UNICEF collaborates with different types of NGOs which are involved as providers of expertise in policy and strategy development, both at headquarters level and in the field, and engaged in advocacy and political and social mobilization. It works with NGOs active in service-delivery and hands-on programme implementation and project cooperation and with those engaged in income generation for UNICEF programmes. It is relying increasingly on the capacities of national and international NGOs in emergency situations. There are 187 international NGOs in consultative status with UNICEF. One hundred and twenty-three of them are members of the "NGO Committee on UNICEF". As a subsidiary body of the United Nations, UNICEF does not grant consultative status to NGOs unless they have previously obtained consultative status with ECOSOC. Because the majority of the NGOs are national NGOs which do not have consultative status with ECOSOC, the overwhelming majority of NGOs that UNICEF works with do not have consultative status.

1. Criteria for selecting NGOs

84. An NGO that works with UNICEF has to be a not-profit-making organization and apolitical. Its statute has to be in accordance with national regulations and it should be committed to the principles of participatory and sustainable development. It has to have demonstrated the capacity needed for the activities involved, as well as administrative and financial competence. UNICEF, however, will require less in cases of cooperation with small community-based organizations, which usually do not have the same administrative and legal capacity as an international NGO.

85. Choosing grassroots and community-based NGOs as collaborators of UNICEF involves three steps. The first step is that the Country Programme of Cooperation, the official programme-oriented agreement between the Government and UNICEF (Master Plan of Operations, (MPO)), refers to the cooperation with NGOs in areas where such cooperation is considered beneficial to the overall programme areas. Second, in the concrete cooperation with UNICEF, the country office will ask whether the NGO, as a community-based organization (CBO), fulfils the general principle mentioned in UNICEF's guidelines. Third, if there is a project proposal submitted by the NGO to UNICEF, the Programme Officer will verify that the project fits into the Country Programme of

Cooperation (MPO). Grassroots NGOs are also being screened in accordance with UNICEF's criteria and the (forthcoming) guidelines for selection of NGOs.

86. The role of the Government in the selection of grassroots and community-based NGOs depends on various factors: on the level of independence and trust UNICEF has been able to build up in the country over the years; on the political climate and the openness of the Government to the participation of civil society in social development and on the specific area of the planned cooperation.

87. Most UNICEF offices do not have a single individual in charge of cooperation with NGOs. Usually each Programme Officer deals with the NGOs working in his/her field of work and manages the funds.

2. Allocation of resources to NGOs

88. UNICEF did not establish special funds to be used for NGO activities and programmes. One reason for this is that NGOs have traditionally been a regular and constant partner of UNICEF in implementing its country programmes. However, in the current climate of intense donor governments' interest in the non-governmental sector, UNICEF will analyze the feasibility and possible benefits of such funds.

89. In order to respond to JIU's inquiries about the allocation of resources to NGOs, UNICEF sent a questionnaire to its country offices and approximately 65% of UNICEF's country offices have provided the following information. In 1994, 64% of all country offices allocated $44,2 million to NGOs for programme implementation, corresponding to 9,6% of the total programme budget. In 1995, 66% of all country offices allocated $61,4 million, corresponding to 12,0% of the total programme budget. The following table gives a breakdown of these resources.

	Table A 1994 allocation	Table B 1995 allocation
Service delivery:	40,0%	34,6%
Capacity building:	31,6%	34,0%
Advocacy and social mobilization:	14,3%	20,3%
Research and evaluation:	10,4%	7.1%
Other	3,7%	4.0%
	100,0%	100,0%

90. Because of the range of projects and programmes that UNICEF deals with and of the different levels of country needs, the intensity of the cooperation varies. Some country offices allocated as little as 0,1% of their programme resources to NGOs, whereas in other countries the NGO component was as high as 73%.

91. According to the survey, in 1994, in 64% of its country offices, UNICEF allocated 71,9% of its NGO resources to national NGOs and community-based organizations, and the rest to international NGOs. For 1995, and 66% of the country offices, the figure was 68%.

92. Administrative support costs. In principle, UNICEF does not provide funds in support of administrative/overhead expenses incurred by NGOs. In accordance with the new Project Cooperation Agreement, personnel costs and other expenses which, in the view of the parties are essential to fulfil the specific task of the project, can be included in the project document.

H. United Nations International Drug Control Programme (UNDCP)

93. One of the aims of UNDCP is to draw into the drug control arena NGOs engaged in various areas of social development and to demonstrate the linkage between the drug issues and other social problems. The majority of the NGOs with which UNDCP collaborates are grassroots or national organizations working in the field of drug demand reduction. UNDCP also collaborates with highly specialized NGOs, both national and international, with particular expertise in the field of substance abuse.

1. Criteria for selecting NGOs

94. UNDCP does not take ECOSOC consultative status into account when selecting working partners. The main requirement is that international and "northern" NGOs must have proper accounting procedures, with accounts available for audit. They must be recognized by both their national Government and the host Government. All organizations must have the necessary management and technical capacity, with a demonstrated track record that they have successfully completed similar activities in the past. They should be able to show that they have the ability to manage funding and absorb the amount of support provided.

95. The selection and the screening of local NGOs are generally done by the UNDCP country or regional offices, where such an office exists. Advice is also sought from UNDP offices. Some field offices use a screening committee with government representatives. The degree of government involvement varies from country to country.

96. UNDCP has no specific persons responsible for coordinating NGO activities at field level, unless activities are supported through a project. Where a specific project to support NGOs exists (e.g. Southern and Eastern Africa), the Chief Technical Adviser (CTA) is responsible for coordinating and managing the project funds. Grants from other sources are approved at Headquarters on the recommendation of the field offices, i.e. the fund is managed from Headquarters.

2. Allocation of resources to NGOs

97. Funds are allocated to NGO activities either as grants (since 1994 UNDCP has had a special fund to support national NGOs involved in drug demand reduction) or through projects executed by NGOs. Expenditures incurred under projects for the period 1990-1995 amounted to US$21,435,900.

98. As to the allocation for programme activities and administrative support costs, in executing agency arrangements a fixed percentage of the total project budget is agreed as a support cost. Between 1990-1995 an average of 93.8 per cent of the resources allocated to NGOs went to programme activities and 6.2 per cent to administrative support.

99. The percentages of total allocated resources for the period 1990-1995 amounted to 13.4 per cent for grassroots NGOs and 22.5 per cent for national NGOs. These figures do not include grants awarded as components of projects.

I. Food and Agriculture Organization of the United Nations (FAO)

100. Although FAO maintains formal relations with some 180 international NGOs, (INGOs), it cooperates with a far broader range of organizations. These include: rural peoples' organizations; cooperatives and community-based groups, which are prime interlocutors of the Organization; "Southern" national and regional development NGOs, which do not represent rural people but provide them with services and help to build up their organisational strength; "Northern" NGOs, which fund and sometimes operate projects and programmes in developing countries; NGOs engaged in relief and humanitarian assistance activities; NGOs whose main focus is on advocacy and public information; environmental NGOs; NGO networks; trade unions, professional and academic research associations. The forms of cooperation undertaken include NGO involvement in development projects/programmes; promoting NGO participation in national policy formulation; sharing information of relevance to food security and rural development; collaborating in emergency and rehabilitation programmes; formulating and implementing capacity building programmes for NGOs; encouraging NGO participation in normative activities at global level such as the negotiation of codes of conduct in areas such as pesticide use or responsible fisheries. Only a minor part of this cooperation involves transfer of financial resources.

1. Criteria for selecting NGOs

101. The main requirements for collaboration with NGOs are "relevance and competence", as well as "a good track record". Nevertheless, these, have to be translated into more specific terms, depending on the nature of the activity.

102. The process of screening and selecting local NGOs also varies in accordance with the nature of the activity. Generally speaking, however, FAO bases its selection process on its long-standing knowledge of and partnership relations with the NGO community, as well as on the presence of FAO offices at country level and field visits by HQ and Regional Office staff. The role played by the Government in the selection of NGOs varies in the light of whether or not the activity in question takes place in the context of an FAO/Government project. If not, formal government approval is not required, although of course there must be no objection to the choice.

103. As to NGO liaison at the country level, FAO does not have a systematic network of officers responsible for NGO activities. There is an NGO programme officer stationed in the Regional Office for Africa, and an NGO officer covering South Asia based in the FAO

office in New Delhi. In other countries, the FAO representative may designate a member of his/her staff to take particular responsibility for NGO relations.

2. Allocation of resou ces to NGOs

104. FAO regards the resources aliocated to NGOs as only one aspect of its cooperation with NGOs. Cooperation with NGOs is so extensive and diffuse that no comprehensive statistical data are available. The 1996 97 Programme of Work and Budget nonetheless has one sub-programme specifically dedicated to promoting cooperation with NGOs and the private sector, totalling $1,690,000.

105. Regarding extrabudgetary funds, some projects or project components are specifically directed towards providing capacity-building support for and strengthening partnership with NGOs. In addition, a number of FAO field activities not specifically targeted to NGOs nonetheless involve NGOs so as to carry out particular project components and/or channel resources and/or expertise to local and grassroots organizations. These activities cover the entire range of types of NGOs and areas of work, but a statistical breakdown is not available. In some cases, a combination of Regular Programme and extrabudgetary resources is used to carry out activities in partnership with NGOs. One benefit of working with NGOs, as compared with individual consultants, is that often the interests of the two partners coincide and costs can be shared.

106. As to the distribution of resources between programme activities and administrative support cost, an organization-wide percentage cannot be provided. In general however, more funds are allocated for programme activities, specially training than for administrative support. In addition, FAO is not in a position to provide the percentage of resources devoted to national grassroots and to international NGOS. Generally speaking, however, FAO believes that more resources are devoted to national and grassroots NGOs.

J. International Labour Organisation (ILO)

107. ILO collaborates with a wide-range of NGOs including advocacy, development and human rights NGOs. In development assistance in a variety of technical fields, the relationship can take different forms. NGOs can implement tasks and activities subcontracted to them by ILO and they can also be recipients of aid and technical assistance provided by ILO. Some of the areas of collaboration include training in self-employment and income generation in rural/urban informal sectors and for vulnerable social groups; vocational rehabilitation; women in development; community-based, labour - intensive infrastructure development; and cooperatives.

108. ILO has its own list of NGOs in consultative status with ECOSOC, as well as a "special list" of NGOs with which it collaborates. Only international workers' and employers' organizations meeting certain requirements can apply for consultative status with ILO. Other NGOs can request inclusions in the special list which entitles them to participate in ILO meetings and conferences, in-accordance with the rules approved by the Governing Body, and to receive documentation. To be considered for such a list, NGOs have to be international, and need to show interest and competence in one of the area falling under ILO mandate.

1. Criteria for selecting NGOs

109. There are no established criteria regarding the involvement of NGOs in development cooperation. Preference, however, is usually given to NGOs with relatively long experience in the geographical areas or thematic fields for which support is sought, and to NGOs that enjoy the trust of the identified beneficiaries and can relate to other social actors, including the Government and/or local authorities. Size is of marginal importance, provided that they can perform as required.

110. The selection of grassroots NGOs is mainly done on the basis of their record in ILO and referred by ILO colleagues or offices and/or international or national agencies that work in the particular areas. The role of the Government in the selection of the partners NGO depends very much on its own policy towards NGOs and on relevant procedures.

111. ILO has no focal point for NGOs, either at Headquarters or at the country level, entrusted with responsibilities for dealing with and coordinating activities of other NGOs at the field level. It nonetheless has, within the framework of the Active Partnership Policy, senior employers' and workers' specialists assigned to most ILO multidisciplinary teams operating at field level in the varicus regions of the world. These specialists are international staff members.

2. Allocation of resources to NGOs

112. ILO has neither special funds nor special programmes for NGOs. Collaboration with them may be established, if and when needed, within the context of technical cooperation programmes, funded by both regular and extrabudgetary resources. The ILO Programme and Budget covering the period between 1990-1995 indicates the resources which were allocated to the employers' and workers' activities major programmes. Although employers' and workers' organizations would normally be considered to be non-governmental organizations, because they are by nature independent from governments, in the ILO context they cannot be considered as ordinary NGOs. Within the tripartite structure of the ILO, employers' and workers' organizations are constituents of the organization with the same rights and on the same footing as governments. They are represented, as fully-fledged members, in the ILO's decision-making and consultative bodies.
Information regarding resources allocated by other major programmes for employers' and workers' activities and for other NGOs are not the subject of regular data collection.

113. No accurate data exists on the percentage of funds devoted to direct programmes implementation by NGOs and the percentage spent on administrative support costs. But it is likely that, in the field cf poverty-alleviation programmes and informal sector-related activities, about 30 to 40 per cent of the funds channelled to NGOs cover administrative support expenses.

114. As to the percentage of resources assigned to grassroots and national NGOs, in the field of poverty-alleviation programmes and informal sector-related activities, most of the funds (about 85 per cent) directed to NGOs are devoted to national and grassroots NGOs.

K. World Health Organization (WHO)

115. WHO has a long tradition of close collaboration with NGOs. Article 71 of its Constitution says that WHO may make suitable arrangements for consultation and cooperation with NGOs in carrying out its international health work. The necessity of working with NGOs has been stressed by the WHO World Health Assembly on several occasions, and the 1985 Assembly concluded that "a growing partnership between governments and NGOs was an inescapable necessity for the attainment of health for all by the year 2000". The objectives of WHO's collaboration with NGOs are "to promote the policies, strategies and programmes derived from the decision of the organization's governing bodies; to collaborate with regard to various WHO programmes in jointly agreed activities to implement these strategies, and to play an appropriate role in ensuring the harmonizing of intersectoral interests among the various sectoral bodies concerned in a country, regional or global setting." (Principles governing relations between WHO and NGOs - resolution WHA40.25 of 1987)

116. There are 184 NGOs in consultative status with WHO and most of them are in consultative status with ECOSOC. WHO also works with those NGOs which have no consultative status either with ECOSOC or with WHO. Its regional offices have similar arrangements for national and regional NGOs and they are working to identify and develop contacts with national NGOs. In the view of some WHO regional offices, such NGOs have, for example, specific experience in culturally appropriate responses for community health action, including the health of indigenous people. It is considered that their expertise can be usefully incorporated into national policy dialogue and joint programme design for health reform.

1. Criteria for selecting NGOs

117. WHO has developed in its technical services agreements tentative criteria for assessing the administrative ability of institutions, including NGOs receiving grants under such agreements. They include whether the institution has an organizational structure; a separate administrative and finance department; a budget of its own and a related set of expenditure accounts; a bank account to receive payments by bank transfer and whether it is regularly reviewed and examined by an external auditor.

118. In addition, informally, programmes seek to ensure that an NGO is technically competent, has a proven record of good work in its field and, in some cases, a willingness to make a long-term commitment (5 years or more) to collaborate. In case of activity at the national level, it is also important for the NGO to be acceptable to, or work closely with the Government.

119. WHO has a variety of ways for choosing local NGOs. In the case of NGOs in official relations with the organization a national member may be contacted, or sometimes international NGOs may recommend local NGOs with which they collaborate, or other WHO partners at the country level may be able to identify suitable partners. Sometimes a Government will recommend an NGO or NGOs. WHO Regional Offices and country representatives would be contacted. WHO country offices may also assemble information about NGOs active in the health and development sector and would also work closely with the Government.

120. At Headquarters and its Regional Offices, WHO has focal points responsible for NGO liaison, and for the administration of relations with those NGOs which have a formal relationship with WHO. At field level, however, it is the country representative, inter alia who handles NGO matters and is in charge of coordination and/or management of project funds in collaboration with the technical programme officer concerned. Responsibility for the development of activities with NGOs and, if appropriate coordination, rests at the programme level.

2. Allocation of resources to NGOs

121. WHO does not currently allocate special funds to NGO activities. However, NGO activities of interest to WHO are funded on an ad-hoc basis. There is no global mechanism to identify either the type, the area or the sum involved. As to the percentage of resources allocated to direct programme implementation and to administrative support costs, it is WHO's policy to ensure that funds to third parties would be given mainly for programme activities.

L. World Food Programme (WFP)

122. While WFP works primarily with Governments, its cooperation with NGOs in development and in relief assistance has grown considerably and NGOs have become vital in carrying out WFP's task in emergency operations. WFP's collaboration with NGOs is very much decentralized and involves more than 1000 NGOs, a majority of those being national NGOs. According to WFP NGOs are present in about 80 per cent of its work. The organization works with all groups of NGOs for the implementation of its food aid operations. It collaborates with the operational NGOs active in humanitarian assistance and development, as well as advocacy NGOs for the exchange of information on policy dialogue. The areas of collaboration covers development projects related to agriculture, infrastructure, the environment or forestry sectors, school feeding projects or vulnerable group feeding through its food-for-work projects. In the area of humanitarian situations, NGOs and WFP will collaborate by giving relief assistance to victims of natural and man-made disasters. Depending on the situation, the collaboration will also include rehabilitation/resettlement activities.

123. WFP does not grant particular "formal status" to any NGO. The Governing Body has welcomed opening up its meetings to NGOs and those that ask to attend the sessions are normally invited if they are collaborating with WFP. The major forum for formal consultation is the WFP/NGO consultation which is to be held once a year. The first meeting was held in November 1995 and the second in June 1996. In 1991 WFP created a database on about 300 NGOs. This database is being redesigned as part of a global WFP exercise, the "Financial Management Improvement Programme".

1. Criteria for selecting NGOs

124. The NGO indicative selection criteria adopted by WFP and the requirement which may vary depending on the situation are the following: acceptance by the Government; sound specific programme for food distribution; adequate personnel and in-country organizational structures; reliable accounting and reporting capacity; collaboration with government infrastructure; co-ordination with others; capacity to take on additional activities and gender sensitivity.

125. WFP has increasingly been working with local NGOs in recent years. Recipient Governments are normally consulted on the choice of the partners and could refuse the choice of an NGO. Once a joint operation is set-up, thorough monitoring of the NGO's work is needed to improve adequate implementation, but also appropriate reporting and accountability. WFP also encourages the creation of NGO umbrella organizations at field level. This helps local NGOs to ensure coordination and the designation of an NGO focal point.

126. WFP field offices which are extensively working with NGOs normally have someone responsible for dealing with and coordinating NGO activities at field level. In most cases this officer is often in charge of other matters as well. Depending on the cases and on the staff available in the field office, the person is either a national or an international officer. For large operations, he or she is more frequently an international officer.

2. Allocation of resources to NGOs

127. WFP has no special "windows" for NGOs. However, the WFP's new model defines the activities which might be undertaken by NGOs. Distribution and monitoring costs reimbursed to NGOs are provided for under a specific budget line, the "Landside Transport, Storage and Handling" ("LTSH"). These costs are normally agreed upon in advance between the NGO and WFP and specified in the Letter of Understanding. Under the new accounting model for LTSH, WFP will be able to better identify the expenditures related to services provided by NGOs.

128. WFP normally reimburses only the direct costs incurred by its partners for the implementation of the operation.

M. World Bank

129. The World Bank whose collaboration with NGOs is increasing with their growing role in the development process, works with both operational and advocacy NGOs in field operations, in research and analytical work, and in policy dialogue. The Bank's NGO Unit, located in the Poverty and Social Policy Department, maintains a database of over 9000 NGOs worldwide. The NGO database is a resource tool and information from the database is available upon request to Bank staff, NGOs and others. Other departments in the Bank have their own NGO lists, based on specific experience related to their field. The Bank also has its own NGO Committee for addressing ways in which the Bank could increase the involvement of NGOs in Bank-financed projects. NGO members of the Committee collectively form the NGO Working Group of the World Bank (NGOWG) and it represents all geographical regions: five members each from Africa, Asia, Latin America and the Caribbean, and Europe and four from North America/Pacific and two international NGOs.

1. Criteria for selecting NGOs

130. Requirements for NGO participation as implementing partners vary on a case by case basis. Selection criteria will include: demonstrated expertise and strong track record in the relevant sector; knowledge of the geographical region; ties to the local community; participatory approaches; strong accounting and financial reporting procedures as well as past experience working with the Bank is also taken into account.

131. The screening and the choice of local NGOs is a process involving the Bank's field office in the country concerned, the country department at headquarters in Washington, the Government (whose approval is needed). In cases where the Government may not be favourable and the Bank feels the NGO is a strong candidate, the Bank can play a mediating role. In addition to input from country department staff and others in the field office, Bank field staff may consult representatives of NGO umbrella organizations, bilateral or multilateral donors, United Nations agencies and others.

132. In some of its field offices the Bank has staff acting as NGO resource persons or NGO expertise, even though this function may not be their primary responsibilities. Recently, however, the Bank's Africa (AFR) and Latin America and Caribbean (LAC) Regional Offices have agreed to establish NGO liaison positions in each offices. The NGO liaison will serve as the point of reference for NGOs, coordinate NGO activities, and provide outreach.

2. Allocation of resources to NGOs

133. There are different sources of support (direct and indirect) for NGO activities by the Bank. In most cases, these resources were not established for the specific purpose of providing financing for NGOs.

134. The Bank's resources can be used to collaborate with NGOs directly in the Bank's own activities. For example; Consultant Trust Funds (CTFs) i.e. grant funds provided by donors as well as the Fund for Innovative Approaches in Human and Social Development (FIAHS), can be tapped to support NGO involvement.

135. The Bank's Special Grants Program (SGP) may also be an occasional source of support to NGO activities. The SGP finances regional and global programmes and activities that are important to the development process and complementary to the Bank's operational work. SGP contributions do not normally exceed
15 per cent of a proposed programme's total funding. Most of the grants are made to research institutions, United Nations agencies for specific initiatives and regional initiatives. However, some of the grant recipients are NGOs.

136. The SGP has also been used to provide support to developing-country NGOs participating in International Conferences and Summits. The SGP also funds two initiatives in the population and health sector.

IV. ACCOUNTABILITY FOR FUNDS PROVIDED BY THE UNITED NATIONS SYSTEM AND REPORTING OF AGENCIES TO THEIR LEGISLATIVE BODIES ON RESOURCES ALLOCATED TO NGOS

137. The overall findings reveal that not all organizations have developed policy guidelines for collaborating with NGOs and that cooperation is taking place on ad-hoc basis, without clear and consistent guidelines to be followed. Establishing policy guidelines for collaboration is the first step to sound and meaningful working relationships between the two partners, since the guidelines would set out all the requirements, including accountability, credibility and the criteria for selecting NGOs.
The analysis demonstrates in fact the disparities between organizations in allocating resources to NGO activities as well as the different criteria applied for selecting NGOs as implementing partners. Because of the increasing interaction with NGOs and recognition of their importance as partners in the planning and delivery of United Nations activities, it is essential to have clear policy guidelines which explain the obligations and responsibilities of both partners, in order to enhance the overall effectiveness and efficiency of United Nations activities. While those organizations which have already established such guidelines should be commended, those who have not yet done so should develop policy guidelines for collaboration with NGOs.

138. Accountability by United Nations system organizations for both the multilateral and the bilateral resources they receive from donors is a foundation for building confidence between donors and the United Nations system and a prerequisite for obtaining additional resources. Furthermore, strict requirement for transparency is on one hand highlighted by the financial constraints faced by the system, and on the other is essential in improving the overall efficiency and effectiveness of all United Nations system operations.

139. The analysis in chapters II and III indicates that a good number of United Nations system organizations collaborating with NGOs have not so far established a financial recording system whereby they identify the amounts of resources devoted to NGO activities, nor do they have a systematic accounting procedure showing how the funds are disbursed by NGOs. The resources assigned to NGOs are generally included in the total project budget. An exception to this practice is UNDP, which has a separate budget line from its Special Programme Resource (SPR) fund for NGO/CSO activities, UNESCO which has a special fund for NGOs and the UNDCP fund for NGOs, which is easily identifiable since it is either accounted for in the form of a separate project, or when it is part of a project component, is coded as subcontracts or grants. The existing situation has a negative impact on accountability. In the current climate of intense donor Governments' interest in the proper use of funds in all areas of activities, including the non-governmental sector, the United Nations system organizations should be prepared to identify easily the resources they receive and be able to account for them.

A. Accountability

140. The accounting procedures used by United Nations system organizations for tracing resources assigned to NGOs varies, depending on the contractual relationship established with the NGO. No special accounting or reporting procedures exist for NGOs. The majority of United Nations system organizations apply similar accounting procedure,

therefore, NGOs are subject to the same procedures as for other types of partners, i.e. governments and government agencies, institutions, etc. which include delivery, fulfilment of Letter of Agreements requirements, and compliancies with reporting requirements in the context of field projects. Allocation of funds is subject to examination by the United Nations Internal Audit Service and External Auditors, according to their respective competence.

141. However, in some of the contractual relations with NGOs, the Inspector has observed that there is no clear indication as to how the NGO is accountable for the resources it receives from the organization. In some organizations, the procedures require accountability for funds which exceed a particular amount of money. For ILO, for example, in one case of cooperation with the child labour programme a sum of over $10,000 will involve an agreement to report every three months, for less than $3000 the reporting time is flexible, and under $200 the agreement is no more than a letter and the NGO have not to report. For UNICEF, reporting is required when the cooperation involves the equivalent in the local currency of a maximum of $10,000, although the requirement of accountability is not strictly tied to a specific amount of money. For UNDP, the standard financial rules and regulations are applied and for the Small Grants Programmes managed at headquarters, reporting and accounting requirements have been simplified due to the relatively small size of the grants.

142. Some organizations and programmes, such as UNICEF, UNHCR, UN/OPS and UNDCP have established basic management and accounting procedures whereby they can trace how the resources devoted to NGOs are utilized. UNICEF, for example, does not work with NGOs as "executing agencies" or "implementing" partners like other organizations. UNICEF retains responsibility and authority/accountability in all cases of project cooperation. In line with UNICEF's budgetary system, the country representative is either accountable to UNICEF itself for funds allocated from the core budget (General Resources) or to "extrabudgetary" donors such as Governments, NGOs or UNICEF National Committees.

143. The procedure in UNHCR is that the reporting and accounting of resources provided to NGOs are subject to the terms and conditions of the organization's standardized "Sub-Agreement" which is signed by all partners implementing its projects, However, the organization has a system whereby it keeps separate records of the resources devoted to NGOs and could easily trace them as needed.

144. UNDCP has a systematized accounting procedure for the resources it assigns to NGOs. All NGOs, international, local and indigenous, which receive funds from the Programme are recorded separately from other project components by the name of the executing NGO, the title of the project, the period of execution, the funds allocated and funding sources. Therefore, funds devoted to NGOs are easily identifiable.

145. Out of the 16 United Nations organizations and the specialized agencies to which the JIU questionnaire was sent asking them if they had a separate budget line for NGO activities, only two organization, UNDP and UNESCO responded positively. UNICEF, although it has not established special funds to be used for NGO activities, is fully aware of the need to analyse the feasibility and possible benefits of such funds.

146. As a result of this lack of a separate budget line and insufficient accounting procedure for NGO activities, in particular in the area of technical cooperation (TC), it is

not possible for all United Nations organizations and agencies to provide the specific breakdown of resources devoted to NGOs during the last five years, 1990-1995, from both the regular and extrabudgetary resources, as requested by JIU. Only UNESCO, UNFPA, UNHCR, UNICEF and UNDPC provided partial statistical information. In addition, it was not possible for the organizations to identify the specific field of destination of the funds. The Inspector is of the opinion that the United Nations system organizations must organize their financial management of resources devoted to NGOs. The accountability of NGOs for resources received from the system will in turn benefit from that accomplishment.

B. Reporting

147. The resources devoted to NGO activities by United Nations organizations and the specialized agencies for projects, are reported in the same manner as other forms of expenditures, under standard procedures. There are no separate procedures for reporting to donors on allocations and expenditures for NGOs. Organizations and agencies report on all their activities in accordance with their constituent instruments. However, the problem with this general type of reporting is that the budgetary and expenditure information, which is usually voluminous, does not make a distinction between resources provided to NGOs and those provided to others.

148. The findings of the Inspector on the accountability of NGOs for the resources they receive from United Nations organizations and the specialized agencies and the reporting of United Nations system organizations to their legislative bodies on allocation and use of resources for NGO activities is that no special category of accounting and reporting procedure exists for NGO activities. The present sporadic and un-systematic practice of including resources devoted to NGOs in the total project budget, without any specific indication as to the amount for NGO activities, does not help the organizations to determine clearly and report to their legislative bodies on the resources they provide to NGOs and how the NGOs use them. This shortcomings has also made it impossible for Member States to be aware of the amount of funds provided by the system to NGO activities and to know whether the money has been used for the purpose intended. Again, in cases where NGOs are providers of funds, it is not known how much the United Nations system benefits from these types of cooperation.

149. As stated in the executive summary, the Inspector is fully aware that the United Nations system is not a major provider of funds to NGOs. However, as made clear by the United Nations Secretary-General "NGOs are an essential part of the legitimacy without which no international activity can be meaningful." The scope of the involvement of NGOs in United Nations activities is therefore not limited to certain areas and the tendency is that the collaboration will further be intensified.

150. The Inspector is therefore convinced that it will benefit all partners, donors, recipients and the United Nations system to establish a clear procedure of accounting and reporting in accordance with the specificity of each organization on the allocation and use of funds devoted to NGOs. Since United Nations system organizations are responsible for the proper management of the funds they receive from donors, those organizations which have not already done so should set up a database with all the necessary information to include, the type of NGOs they deal with, the area of collaboration, the duration and

amount of resources allocated to the project and the system of accountability by NGOs. This task should be assigned to the staff member who is already responsible for NGO activities in each organization.

151. In addition, organizations should analyse the benefits of establishing a system whereby they report to their legislative bodies the total amount of funds for NGO activities, the total amount of funds received from NGOs, if applicable, and how these funds were accounted for by NGOs. Once the first step of establishing a database is accomplished, the second stage of reporting could follow easily.

V. CAPACITY-BUILDING THROUGH FINANCIAL AND MANAGEMENT SUPPORT FOR NATIONAL NGOS

152. One of the purposes of the United Nations technical cooperation (TC) programme is to help developing countries to become self-sufficient a term known by the system as "capacity-building". The term involves the processes and means for national governments and local communities to develop the skills and expertise needed to manage their natural resources and environment in a sustainable manner and build institutions.

153. All TC programmes and projects carried out by the system are supposed to be sustained and continued by the Government and the people of developing countries after the departure of the United Nations organization. This process presupposes that the designing and launching of programmes and projects does not take place without popular participation. In this process national NGOs can play an important role.

154. Most of the operational organizations, such as UNICEF, WFP, WHO, FAO and UNHCR, are increasingly relying on the capacities of national NGOs in carrying out development and emergency programmes and projects. For example, WFP collaborates with 923 local NGOs and over the past five years its relations with NGOs have expanded enormously. In a response to a questionnaire distributed by WFP headquarters, the majority i.e. 69 per cent of the country offices reported an increase in the frequency and volume of their cooperation with NGOs; 29 per cent described the nature of their cooperation as stable, while 7 per cent have experienced a decline in the frequency and volume of cooperation. UNICEF's and UNHCR's partners in refugee camps and in other natural disaster situations include national NGOs. FAO collaborates mainly with national NGOs to carry out its agricultural and/or livestock programmes and projects with community based organizations. WHO uses local organizations to disseminate health education to the rural and urban population. To sum-up, these tasks can be better performed by the national NGOs, which are themselves part of the community they serve, and they can communicate easily with the population.

155. The involvement of national and grassroots NGOs in the work of the United Nations and the contribution that they make to the successful implementation of programmes and projects, need to be recognized by the system. Attempts should be made to increase financial and other support to these NGOs both in long-term and short-term projects. United Nations system organizations should also encourage partnership relations between international and national NGOs. The purpose and the role of the two different types of NGO should be clearly spelled out by the United Nations system in order to benefit from the inputs of both kinds of organization.

156. The advantage of using international NGOs in implementing and or executing United Nations programmes and projects is their level of competence and know-how as well as their ability to raise funds. They are able to work in the culture and language of bilateral, multilateral and other policy- making bodies. They also have access to influential social components in the donor countries, enabling them to influence choices and policies. This is their comparative advantage.

157. On the other hand, national NGOs have a knowledge and appreciation of the local cultures, such as language, social norms, state of the economy and an understanding of the people, their needs and customs. Another factor which gives national NGOs an advantage over the international NGOs is the cost factor. When it comes to the ratios

between overheads (salaries, transport, offices, etc.) and direct transfer to communities national NGOs are in principle less expensive than international NGOs. This is because national NGOs reflect the local economy and structure in terms of salaries and conduct of operations.

158. The cooperation between international and national NGOs, however, is essential for both parties to succeed in their aims. For example, one of the many sound cooperations between the two partners is that "in India, with just 5 million pounds sterling, ACTIONAID supports the work of over 200 NGOs". (Should International NGOs be Operational? A brief paper presented to the CEVO Workshop 5-6 February 1996). If they had done it all themselves, there would have been just one NGO. The role of the United Nations system should therefore be to act as a catalyst in getting the two groups of NGOs to work together and support each other. This can be done by serving as a channel of information between the two partners, i.e. by informing international NGOs about the existence of a competent national NGO that can do the job; by collaborating more with national NGOs so that they gain the experience and acquire the resources which will enable them to complement the international NGOs. The United
Nations system must be instrumental in involving national NGOs to achieve one of its major aims, "capacity-building".

159. The Inspector is fully aware of and commends the efforts being made within the framework of capacity-building to identify national NGOs which could collaborate with the United Nations system. He also recognizes that there are some organizations which have allocated specific resources to capacity-building including training and exchange of information, to strengthening partnership with national NGOs. These moves deserve to be encouraged.

160. It would facilitate communication with these NGOs if organizations would, at country level, prepare a list of national NGOs and other organizations of Civil Society that could be potential partners of United Nations system organizations and international NGOs. Criteria should also be developed for selecting national NGOs as implementing partners.

ANNEX

ANALYSIS OF RESPONSES TO JIU QUESTIONNAIRE BY ORGANIZATIONS

Organizations/ programme	Organizations' list of NGOs	Cost effectiveness of NGOs	Criteria for selecting NGOs	Method of screening local/national NGOs	NGO liaison officer Hdqs/field	Special funds allocated to NGOs	Percentage of funds to prog. and support cost	Percentage of overall NGO funds allocated to grassroots NGOs	Accountability reporting procedure by NGOs	Receiving finance from NGOs
UNCHS's (Habitat)	Yes	Yes	Yes	Reccomendations by implementing partners	Yes (Hdqs) for field it is the programme officer	No	80% prog 20% ASC	N/A	Same as for any other subcontracted activity	Yes
UNDPC (programme)	yes	Not the main reason for collaboration	yes	Through country offices	Yes (Hdqs only)	Yes, since 1994	93.8% prog 6.2% ASC	Yes, 13.4% & 22.5% to national NGOs 1990 - 1995	Yes	Yes
UNDP	Uses NGLS's Data Base	No comprehensive study exists	Yes	NGOs past record	Yes	Yes	No available statistics	Yes	Yes	Joint Prog
UNEP	Yes	Yes	Yes	Through Programme Units and Regional Offices	Yes	Yes	Will be done after the database is established	Will be done after the database is estalbished	Yes	Yes
UNESCO	Yes	Results vary	Yes	Through national commissions	In the process of designation	Yes			Yes	Yes
UNFPA	Yes	Study underway by one Division	Yes	Through country off. & Hdqs. Committee	Yes	Yes	12%	Yes	Yes	Yes
UNHCR	Yes	Choice is not purely economical one	Yes	Through country rep.	Yes	Yes	95.0% prog 5.0% ASC	No differenciation between NGOs	Yes	Yes
UNICEF	Yes	Not important factor for cooperation with NGO	Yes	Through country prog by country offices	Hdqs. NGO section	No	With some exceptions overhead cost to NGOs not covered	Yes 1994, 71.9% 1995, 68%	Normal reporting requirement	Yes

.../

ANALYSIS OF RESPONSES TO JIU QUESTIONNAIRE BY ORGANIZATIONS (Continued)

Organizations/ programme	Organizations' list of NGOs	Cost effectiveness of NGOs	Criteria for selecting NGOs	Method of screening local/national NGOs	NGO liaison officer Hdqs/field	Special funds allocated to NGOs	Percentage of funds to prog. and support cost	Percentage of overall NGO funds allocated to grassroots NGOs	Accountability - reporting procedure by NGOs	Receiving finance from NGOs
FAO	Yes	Depends on several factors	Yes	Through FAO country office	Yes (Hdqts only)	No statistics available	Organization-wide% cannot be provided	Statistics not available	Procedure vary according to the contract	No
ILO	Yes	NGO collaboration does not necessarily respond to cost effectiveness	None	On basis of records with ILO and through reference	No	No	No accurate data exists	Yes, about 85%	standard procedure	Yes
WORLD BANK	Yes	N/A	Yes	Through Bank field offices	In some field offices Yes, but also in charge of other aspects	No - except in special circumstances	N/A	No except on special circumstances	N/A	Yes
WFP	Yes, List of major partners	Not the only factor for working with NGOs	Yes	Through the WFP country director	Yes, but also in charge of other aspects	No	Normally reimburses only direct costs	No differentiation between NGOs	Procedures vary depending on the agreements	Yes
WHO	Yes, those on official relations	Yes but not confirmed by a study	Yes	Through Govt., national, international NGOs and WHO	Yes	No	Mainly for programme activitaies	N/A	Yes	Yes